

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL MEMORANDUM**

**HB 583 – SB 717**

April 2, 2013

**SUMMARY OF ORIGINAL BILL:** Changes the name of the Tennessee Historical Commission to the Commission on Historic Preservation. Reduces the number of governor-appointed and total members, from 24 to 12, and sets the length of terms for the members of the Board. Creates an executive director position for the Commission, with the authority to create such positions and employ such personnel as are deemed necessary to conduct its affairs, upon approval of the commission.

Detaches the Tennessee Criminal Justice Coordinating Council from the Department of Finance and Administration and attaches the Council to the Department of Correction for administrative purposes. Requires the Board of Accountancy (BOA) to establish qualifications for the executive directors of the Board. Requires the executive director of BOA to direct activities of Board staff, coordinate the operations and activities of the Board and its staff with the Division of Regulatory Boards, and perform any other necessary functions delegated by the Board. States the BOA shall be subject to any performance review and any other general requirements of state employees. Authorizes the Commissioner of Commerce and Insurance to dismiss the executive director for cause. Removes the current requirement that any expenditure of the BOA must first be approved by the Department of Finance and Administration.

Combines the “Geologists Fund” and “Soil Scientist Fund” into the “Geologist and Soil Scientist Regulatory Fund”. This fund will be used to defray the costs in administration of the *Geologist Licensure Act of 2007* and the *Soil Scientist Licensure Act of 2009*. Requires the Governor to appoint a chair from among the members of the Health Services and Development Agency. Such chair will serve a term of two years. Deletes the Drycleaner Environmental Response Board and places the burden of carrying out the duties of the Environmental Response Program within the Department of Environment and Conservation’s (TDEC) Division of Remediation. Places current responsibilities of the Board with the Commissioner of TDEC.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures - \$2,810,300/One-Time  
Net Impact - \$154,100/ Recurring

Other Fiscal Impact – The Governor’s proposed FY13-14 budget accounts for the Criminal Justice Coordinating Council transferring from the Department of Finance and Administration to the Department of Correction, in an amount equal to \$227,500.

**SUMMARY OF AMENDMENT (004789):** Keeps the current name of the Commission, the “Tennessee Historical Commission.” Reduces the number of governor-appointed and total members, from 24 to 18, and sets the length of terms for the members of the Board. Removes language in the original authorizing the Commission to hire an executive director and employ personnel. Deletes the provision of the bill that detached the Tennessee Criminal Justice Coordinating Council from the Department of Finance and Administration and attached the Council to the Department of Correction for administrative purposes.

## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

On March 20, 2013, a fiscal memorandum was issued stating a fiscal impact as follows:

*Decrease State Expenditures - \$4,300*

*Other Fiscal Impact – The Governor’s proposed FY13-14 budget accounts for the Criminal Justice Coordinating Council transferring from the Department of Finance and Administration to the Department of Correction, in an amount equal to \$227,500.*

*Upon additional review, this impact was in error. Based upon such review, the fiscal impact is:*

**(CORRECTED)**

**Decrease State Expenditures - \$4,300**

Corrected assumptions for the bill as amended:

- According to TDEC, membership expense reimbursements for FY11-12 totaled \$13,126 (mileage \$7,000 + lodging \$3,422 + per diem \$2,704)
- Reducing the membership of the Commission, from 24 to 18, or by 75 percent will result in a decrease in expenditures of \$3,282 ( $\$13,126 \times (1 - 0.75)$ ).
- It is estimated that combining the Soil Scientist Fund and Geologists Fund will result in no significant fiscal impact.
- According to TDEC, two members on the Drycleaner Environmental Response Board currently claim travel expenses. In FY11-12, reimbursement for such travel expenses totaled \$1,036. This amount will no longer be expended, resulting in decrease in state expenditures of \$1,036.
- The total decrease in recurring state expenditures, beginning in FY13-14, is \$4,318 ( $\$3,282 + \$1,036$ ).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jdb